

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BERN 02247 301709Z

46

ACTION EB-07

INFO OCT-01 EUR-12 IO-10 ISO-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 FEAE-00 OMB-01

PM-03 /105 W

----- 123695

P R 301454Z MAY 75

FM AMEMBASSY BERN

TO SECSTATE WASHDC PRIORITY 751

INFO AMEMBASSY VIENNA

USDEL MTN GENEVA

AMCONSUL ZURICH

LIMITED OFFICIAL USE BERN 2247

E.O. 11652: N/A

TAGS: ETRD, SZ

SUBJECT: COUNTERVAILING DUTIES - CHEESE FROM SWITZERLAND

REF: A) BERN 2185; B) BERN 2132; C) STATE 122879

1. SUMMARY. IN MAY 29 CONVERSATION WITH VISITING DEPARTMENT OF STATE OFFICER (ANDERSON-EUR/CE) AND EMBASSY E/C COUNSELOR, AMBASSADOR JACOBI OF SWISS DIVISION OF COMMERCE REVIEWED STRONG SWISS HOPE FOR NEGATIVE PRELIMINARY DETERMINATION ON CHEESE COUNTERVAILING DUTY CASE AND OFFERED SOME SUGGESTIONS ON HOW US DOMESTIC AND OTHER FOREIGN SUPPLIERS OF CHEESE COULD BE RECONCILED TO SATISFACTORY SOLUTION FOR SWITZERLAND. JACOBI ALSO EXPRESSED CONCERN THAT SWISS FARM LOBBY COULD CAUSE PROBLEMS IN PARLIAMENT FOR RATIFICATION OF US-SWISS JUDICIAL ASSISTANCE TREATY AND F5-E AIRCRAFT PURCHASE IF SWISS CHEESE EXPORTS TO US WERE TO BE THREATENED WITH IM-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BERN 02247 301709Z

POSITION COUNTERVAILING DUTIES. END SUMMARY.

2. JACOBI SAID SWISS FULLY UNDERSTAND THAT A NEGATIVE TREASURY DETERMINATIO IN SWISS CASE MUST BE JUSTIFIABLE VIS-A-VIS US DOMESTIC INTERESTS AS WELL AS WITH EC, AUSTRIA, AND OTHER SUPPLIERS OF SWISS-TYPE CHEESES TO US. UNDERTAKING BY AMERICAN FARM BUREAU FEDERATION NOT TO MAKE USE OF APPEAL POSSIBILITIES IN EVENT OF NEGATIVE PRELIMINARY DETERMINATION CONSIDERED BY SWISS AS RECOGNITION OF SPECIAL SITUATION AND MERITS OF SWISS CASE. IN ADDITION, JACOBI AND AMBASSADOR SCHNYDER CONTACTS WITH SUCH US SENATORS AS NELSON, MONDALE, HUMPHREY AND CURTIS HAD ALSO BEEN ENCOURAGEING.

3. JACOBI THOUGHT THAT PRECEDENT OF EXISTING SPECIAL DIFFERENTIAL TREATMENT FOR HIGH-PRICE CHEESE FROM SWITZERLAND UNDER VALUE BRACKET OF IMPORT QUOTAS WOULD HELP ASSURE THAT OTHER SUPPLIERS WOULD HAVE NO BASIS FOR COMPLAINT SHOULD CHEESE FROM SWITZERLAND BE TREATED MORE FAVORABLY. IN ADDITION, JACOBI SAID THAT SWISS WOULD BE PREPARED GIVE WRITTEN ASSURANCES THAT THEY WOULD NOT TAKE ADVANTAGE OF ANY COUNTERVAILING ACTION AGAINST OTHER SUPPLIERS TO INCREASE THEIR US MARKET PENETRATION. HE ALSO IMPLIED THAT OTHER WRITTEN ASSURANCES MIGHT ALSO BE POSSIBLE IF CONSIDERED USEFUL. SWISS OFFICIALS WOULD MAKE EVERY EFFORT TO MAKE SURE THAT SATISFACTORY SETTLEMENT WAS NOT PLAYED UP IN SWISS MEDIA AS MAJOR VICTORY OVER US BUT ONLY TREATED UNEMOTIONALLY AS CONTINUATION OF STATUS QUO. JACOBI RECALLED THAT AUSTRIA HAD WANTED TO COORDINATE POSITIONS AND SHARE INFORMATION WITH SWITZERLAND RE CHEESE COUNTERVAILING DUTY INVESTIGATIONS, BUT SWISS HAD FIRMLY REJECTED SUCH PROPOSAL ON BASIS THEIR STRONG CONVICTION THAT SITUATION AFFECTING EXPORTS OF CHEESE FROM ASUTRIA AND SWITZERLAND IS VERY DIFFERENT.

4. JACOBI NOTED THAT US-SWITZERLAND JUDICIAL ASSISTANCE TREATY HAD APPARENTLY CLEARED FINAL COMMITTEE REVIEW AND WOULD BE CONSIDERED BY COUNCIL OF STATES ON JUNE 18. HE EMPHASIZED THAT EXECUTIVE BRANCH BELIEVES TREATY SHOULD BE CONSIDERED ON OWN MERITS AND NOT LINKED TO OTHER SUBJECTS. HOWEVER, JOCABI THOUGHT THAT SWISS AGRI-LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BERN 02247 301709Z

CULTURAL INTERESTS RESPONDING IN PART TO LINKAGES SOMETIMES MADE BY US CONGRESS, COULD WELL APPLY PRESSURE ON MEMBERS OF UPPER HOUSE TO CAUSE PROBLEMS FOR TREATY. THUS, HE UNDERSTOOD THAT ONE REASON FOR SCHEDULING TREATY CONSIDERATION BY UPPER HOUSE VERY LATE IN JUNE SESSION WAS IN HOPE THAT COUNTERVAILING CASE COULD BE SATISFACTORILY RESOLVED BY THAT TIME. (SEE SEPTTEL RE SEPARATE CONVERSATION AT FEDERAL POLITICAL DEPARTMENT RE TREATY).

5. SIMILARLY, JACOBI OBSERVED THAT GOS SEEMED FIRMLY MOVING TOWARD PURCHASE F5-E AIRCRAFT BUT WOULD NOT BE ABLE MAKE FORMAL COMMITMENT AND SIGN CONTRACT UNTIL BOTH HOUSES OF SWISS PARLIAMENT HAD APPROVED. HE NOTED THAT TWO HOUSES WERE EXPECTED TAKE UP AIRCRAFT PURCHASE IN DECEMBER 1975 AND MARCH 1976 SESSIONS RESPECTIVELY AND EXPRESSED FEAR THAT FARM LOBBY MIGHT WELL CAUSE PROBLEMS IF CHEESE CASE NOT SATISFACTORILY RESOLVED BY THAT TIME. OPPOSITION TO PURCHASE US INSTEAD OF FRENCH AIRCRAFT LIKELY BE SOMEWHAT GREATER IN FRENCH-SPEAKING CANTONS WHICH ALSO TEND BE AGRICULTURALLY-ORIENTED. JACOBI THOUGHT THAT SUCH PARLIAMENTARY PRESSURES COULD CONCEIVABLY FORCE GOVERNMENT TO AT LEAST EVALUATE FRENCH OPTION AND NOTED THAT FRENCH HAVE MADE KNOWN THAT THEY PREPARED BE GENEROUS WITH COMPENSATING PURCHASES, ETC. BUT JACOBI CONCLUDED THAT HE PERSONALLY AND HE THOUGHT MOST OTHERS FELT STRONGLY THAT F5-E AIRCRAFT IS THE ONLY CHOICE FOR SWITZERLAND AT THIS TIME.

6. JACOBI ALSO REPEATED ARGUMENT MADE TO AMBASSADOR DENT (MTN GENEVA 3851) THAT COUNTERVAIL ON CHEESE FROM SWITZERLAND COULD PUSH SWISS INTO COMMON POSITION WITH EC AND PROVOKE PROBLEMS IN MTN SUBSIDY DISCUSSIONS.

7. JACOBI ALSO REITERATED HIS WILLINGNESS COME TO WASHINGTON TO ASSIST IN ANY WAY IN EFFORT REACH SATISFACTORY SOLUTION OF CHEESE CASE.  
ODELL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CHEESE, COUNTERVAILING DUTIES, DIPLOMATIC DISCUSSIONS, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BERN02247  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750189-1136  
**From:** BERN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975053/aaaaabro.tel  
**Line Count:** 144  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 BERN 2185, 75 BERN 2132, 75 STATE 122879  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 APR 2003 by ElyME>; APPROVED <16 SEP 2003 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COUNTERVAILING DUTIES - CHEESE FROM SWITZERLAND  
**TAGS:** ETRD, SZ, (JACOBI), (ANDERSON)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006